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10 IN THE UNITED STATES DISTRICT COURT
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA
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13

14 **STATE OF CALIFORNIA,**

15
16 PLAINTIFF,

17 v.

18 **PROVIDENCE GROUP, INC., a California**
19 **Corporation, SUITABLE ACQUISITION**
20 **COMPANY, LLC, a Delaware Limited**
21 **Liability Company and a direct wholly-**
22 **owned subsidiary of Providence Group,**
23 **Inc., BAY BRIDGE CAPITAL PARTNERS,**
24 **LLC, a Delaware Limited Liability**
25 **Company, GI PLUM FUND B BLOCKER**
26 **LLC, a Delaware Limited Liability**
27 **Company, GI PLUM FUND B AIV LP, a**
28 **Delaware Limited Partnership, GI GP IV**
L.P., a Delaware Limited Partnership, GI
PLUM HOLDINGS LLC, a Delaware
Limited Liability Company, NEW SISU
HOLDCO, LLC, a Delaware Limited
Liability Company, and GI PARTNERS
ACQUISITIONS LLC,

DEFENDANTS.

Case No.

**STIPULATED REQUEST TO VACATE
HEARING ON UNOPPOSED MOTION
TO ENTER FINAL CONSENT
JUDGMENT OR IN THE
ALTERNATIVE SHORTEN TIME**

1 Pursuant to Civil Local Rule 6-2 the Parties to the above-captioned action hereby make the
2 following stipulated request that the Court vacate the scheduled hearing on the Unopposed
3 Motion to Enter Consent Judgment and immediately enter the Consent Judgment. In the
4 alternative, should the Court believe that a hearing is necessary, the Parties request that the Court
5 set a hearing for no later than five days from the filing of this request.

6 This action concerns the pending acquisition of Plum Healthcare, LLC. (“Plum”) by
7 Providence Group Inc. (“Providence”). Plum and Providence each operate a chain of skilled
8 nursing facilities (“SNFs”) in California. As detailed in the Declaration of Justin J. Lowe in
9 support of the Unopposed Motion for Entry of Stipulated Final Judgment (“Lowe Decl.”), the
10 Office of the California Attorney General (“California”) has conducted a pre-closing investigation
11 and review of the proposed transaction. Lowe Decl. ¶¶ 2-13. To resolve California’s concerns
12 regarding the possible anti-competitive impact of the proposed merger in Lake County, the parties
13 have agreed to divest one of the SNFs to a third-party buyer. Lowe Decl., Ex. 1. Providence,
14 Plum, and California have accordingly negotiated a definitive Stipulated Final Judgment that
15 completely resolves this action.

16 Providence and Plum do not oppose entry of the Consent Judgment. Moreover, the Parties
17 agree that the Court should immediately enter the Consent Judgment. Under the terms of the
18 Consent Judgment Plum and Providence cannot close their transaction until the Court enters the
19 Judgment, and California does not believe that it is in the public interest to continue to hold the
20 merger open for a prolonged period of time.

21 The proposed merger has been open for some time due to California's investigation at
22 considerable expense to Providence and Plum. Lowe Decl. ¶ 13. California has now completed
23 its investigation however and reached a resolution with the parties regarding the merger's possible
24 anticompetitive impact. *Id.* California believes that it is in the public interest for the Court to
25 immediately enter the Consent Judgment and allow the parties to consummate the merger. *Id.*
26 The patients served by SNFs are disproportionately low income, elderly, and vulnerable. Lowe
27 Decl. ¶ 13. Many of the facilities involved in this transaction also serve low income and rural
28 communities with limited access to both Skilled Nursing Facilities and healthcare generally.

1 Lowe Decl. ¶ 13. Continuing to hold this transaction open – and keeping the ownership of the
2 impacted facilities in limbo – does not serve the interests of these patients and their communities
3 and may in fact harm them if, for instance, delaying the closing of the transaction also delays
4 capital improvements or the hiring of new personnel.

5 Accordingly, the Parties HEREBY STIPULATE AND REQUEST THAT:

- 6 (1) The Court vacate the hearing currently noticed for October 25, 2021 on the Joint
7 Motion for Entry of Consent Judgment and immediately enter the Consent Judgment;
8 (2) IN THE ALTERNATIVE, should the Court believe that a hearing is necessary, that the
9 Court set a hearing for no later than five days after the filing of this Stipulated Request.

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11 IT IS SO STIPULATED.

12 Dated: September 21, 2021

Respectfully submitted,

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14 ROB BONTA
Attorney General of California
15 EMILIO VARANINI
Supervising Deputy Attorney General

16
17 /s/ Justin Lowe
JUSTIN J. LOWE
18 David Houska
Deputy Attorneys General
19 Attorneys for Plaintiff

1 Dated: September 21, 2021

2
3 /s/ Brian Byrne

4 Brian Byrne (SBN 181362)
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15 Dated: September 21, 2021

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17 /s/ Rachael A. Rezabek

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26 *Plum Fund B AIV LP, GI GP IV L.P., GI*
27 *Plum Holdings LLC, New Sisu Holdco LLC,*
28 *and GI Partners Acquisitions LLC*

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FILER'S ATTESTATION PURSUANT TO CIVIL LOCAL RULE 5-1

Pursuant to Civil Local Rule 5-1(i)(3), I, Justin Lowe, attest that concurrence in the filing of this document has been obtained from all other signatories. Executed on September 20, 2021 in Menlo Park, California.

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/s/ Justin Lowe

IT IS SO ORDERED.

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